

Message Text

UNCLASSIFIED

PAGE 01 PRETOR 04405 040941Z

15

ACTION AF-18

INFO OCT-01 ISO-00 NEA-10 EB-11 COME-00 TRSE-00 INT-08

OMB-01 SCEM-02 IO-14 EUR-25 CIAE-00 DODE-00 PM-07

H-03 INR-10 L-03 NSAE-00 NSC-10 PA-04 RSC-01 PRS-01

SPC-03 SS-20 USIA-15 ACDA-19 DRC-01 /187 W

----- 022506

R 040932Z DEC 73

FM AMEMBASSY PRETORIA

TO SECSTATE WASHDC 9005

INFO AMEMBASSY MBABANE

AMEMBASSY MASERU

AMEMBASSY GABORONE

AMCONSUL CAPE TOWN

AMCONSUL DURBAN

AMCONSUL JOHANNESBURG

UNCLAS PRETORIA 4405

E.O. 11652: N/A

TAGS: ENRG, SF

SUBJECT: PRESS REACTIONS TO ARAB OIL BOYCOTT

REF: PRETORIA 4382

SUMMARY: ARAB OIL BOYCOTT CONTINUES TO BE HIGHLIGHTED IN PRESS.
IN GENERAL, EMPHASIS ON SA WEAPONS (CAPE ROUTE AND GOLD) TO
FIGHT BOYCOTT. INFLATIONARY IMPACT AND THREAT TO BUSINESS CON-
FIDENCE ALSO CITED. ROLE OF HOMELAND LEADERS AND NEIGHBORING
BLACK STATES IN OPPOSING BOYCOTT CONTINUES TO BE CITED. END
SUMMARY.

1. SUNDAY EXPRESS POLITICAL CORRESPONDENT CITING "SENIOR POLITICIANS
AND ECONOMISTS" OUTLINED SA WEAPONS TO FIGHT BOYCOTT.
MOST POWERFUL WEAPON SEEN TO BE REFUSAL OF BUNKER FUEL AND OTHER
SUPPLIES TO SHIPS ROUNDING CAPE ENROUTE MIDDLE EAST AND/OR CERTAIN
AFRICAN STATES. IN THIS CONTEXT, POSSIBILITY RAISED OF ACTING
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 PRETOR 04405 040941Z

IN CONCERT WITH PORTUGAL. SECOND WEAPON SEEN AS GOLD, EITHER

OFFERING GOLD FOR OIL ("THE IDEAL INTRODUCTION TO THE LUCRATIVE BLACK MARKET IN OIL") OR WITHOLDING GOLD FROM FREE MARKET TO FORCE UP PRICES TO INTOLERABLE LEVEL THEN OFFERING GOLD AT DISCOUNT FOR OIL.ARTICLE REASONS THAT ARAB COUNTRIES REQUIRING HIGHER PERCENTAGE OF PAYMENTS IN GOLD WHICH PLACES THEM LARGELY AT MERCY OF SA GOLD SELLING POLICY.

2. ACCOMPANYING EDITORIAL FINDS WEAKNESS IN BOYCOTT THREAT (THERE WAYS OF GETTING THINGS AS SHOWN BY RHODESIA; ARAB UNITY FRAGILE:BOYCOTT WILL LEAD TO BLACK MARKET WHERE SA CAN GET OIL: AND ARAB PREFERENCE FOR GOLD).BASIC ARGUMENT,HOWEVER,IS THAT BOYCOTT WILL BE SHORT-LIVED SINCE"WEST EUROPE WILL NOT RPT NOT BE PREPARED INDEFINATELY TO HAVE THEIR ECONOMIES AND THEIR ECONOMIC GROWTH DESTROYED BY ARAB BLACKMAILERS".ALTHOUGH IT POSSIBLE BOYCOTT AGAINST SA,RHODESIA AND PORTUGAL WILL CONTINUE ON PAPER, "SOUTH AFRICAS TRADING ALLIES WILL ALSO HELP ENSURE THAT THE SA ECONOMY IS NOT BROUGHT DOWN BECAUSE OF A LACK OF OIL."

3. SUNDAY TIMES EDITORIAL REJECTS EFFORTS TO MINIMIZE BOYCOTT THREAT AND ARGUES THAT ONLY CHANGE IN SA POLICY (I.E. REJECTION OF NAT GOVERNMENT.) PROVIDES LASTING SOLUTION.HOWEVER, IT NOTES THAT IF ARABS "FIND THAT THEIR BOYCOTT IS AN EMPTY THREAT,WE IMAGINE THAT THEY WILL NOT WORRY UNDULY.THEY HAVE MADE THEIR GESTURE TO THE BLACK AFRICAN STATES AND THAT IS PROBABLY ALL THAT CONCERNS THEM.

4. RAND DAILY MAIL EDITORIAL EMPHAZISES THAT SA LIKELY TO "SUFFER LESS FROM AN ACTUAL SHORTAGE OF FUEL THAN FROM THE INFLATIONATY EFEECTS OF GETTING IT,"

5. SABC DEC. 3 MORNING BROADCAST STRESSED ROLE OF HOMELAND LEADERS AND GOVERNMENT OF SWAZILAND,LESOTHO AND BOTSWANA IN CONVINCING ARABS AND OTHER AFRICANS OF UNFORTUNATE IMPACT OF BOYCOTT ON BLACKS,OTHER REPORTS HAVE NOTED THAT POSITION TAKEN BY KWAZULU CHIEF BUTHLEZI AT ADDIS DIALOGUE CONFERENCE WILL BE EXTREMELY IMPORTANT.
HURD

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM, REFUELING, GOLD, INFLATION, EMBARGOES, FUELING SYSTEMS, GOLD TRANSACTIONS, BARTER TRADE, BOYCOTTS
Control Number: n/a
Copy: SINGLE
Draft Date: 04 DEC 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973PRETOR04405
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: PRETORIA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731246/aaaabhxy.tel
Line Count: 98
Locator: TEXT ON-LINE
Office: ACTION AF
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: PRETORIA 4382
Review Action: RELEASED, APPROVED
Review Authority: izenbei0
Review Comment: n/a
Review Content Flags:
Review Date: 05 OCT 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <05-Oct-2001 by williad>; APPROVED <15 MAR 2002 by izenbei0>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PRESS REACTIONS TO ARAB OIL BOYCOTT
TAGS: ENRG, SF, XF
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005